

MidAtlantic Foundation for Church Multiplication

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Executive Director

2011 Health Plans: Options, Premiums and Changes

Once again we are pleased to offer the following group health plans to all our United Brethren churches. The following renewal rate comparison sheet reflects a 9% increase with both our PPO 250 Value plan and the PPO HSA 2000Q high deductible plan. Last year we incurred an 11% and 8% increase for 2010. Having heard several horror stories from other States and plans, I was delighted to see our plan continue to operate with increases under the medical trend rate.

With all the confusion and changes involving Obamacare, and the uncertainty of its full implementation following the November elections and changes in Washington, we will continue to keep our churches and staffs informed as to the changes in their plans. I will be sending each enrollee a current overview of their Plan coverages with Capital Blue Cross. One important change for the coming year is that now dependents are covered until age 26. If there is any confusion about the eligibility of a dependent it is best to call Capital Blue Cross Customer Service whose number is listed on the back of the Capital Blue Cross member card.

Last year the Dental Coverage was integrated into Capital Blue Cross. This year the Vision Coverage is being integrated into the Capital Blue Cross Program for the PPO 250 Value Plan. Both the Dental and the Vision coverage is only available with the PPO 250 Value Plan. Those rates are remaining the same for 2011.

The rates for the Term Life Insurance and Long Term Disability will remain the same for 2011. As we did last year, I will be needing the total salary (salary, & housing) figures for 2011 from the church treasurer in order to update the Long Term Disability coverage. I will need your 2011 salary figures in preparation for the January 2010 statement. To facilitate this would you please complete the attached 2011 salary statement and return it to me prior to November 31st. Hopefully, we can have the updated coverage and premium by the time of the January billing to assist you with your annual budgets.

Pastors who are insured elsewhere are still eligible for our group life, long term disability, and optional voluntary coverages.

November and the first 15 days of December are the open enrollment months, so any changes that you desire to make to your plan must be made now. This would include changing plans, increasing coverage in the voluntary coverage areas, or adding spouses who may have declined coverage before. New employees and new churches coming on board are eligible right away. Open enrollment months are only for those who are already members. I will be available on Monday afternoon during our Pastoral Resource Day to help explain our programs.

Please join us for our Pastoral Resource Day this coming Sunday night and Monday. We will be looking forward to hearing more from Bishop Phil Whipple, Rev. Jeff Blijerveld, Director of Gobaal Ministries and Rev. Gary Gates, Director of Ministerial Licensing.

This will be a wonderful time to get to renew friendships and establish new ones with pastors new to our area.

Faithfully in Christ,
Larry

I. 2011 Core Health Plans

Option A: Blue Cross PPO \$250 Twin Deductible Value Plan

<i>Product Name</i>		<i>Single</i>	<i>Parent and Child(ren)</i>		<i>Husband and Wife</i>	<i>Family</i>
<i>PPO - Plan Twin 250 Value w/Rx – Option 2</i>	2010	\$537.36	\$1,128.35		\$1,187.49	\$1,564.72
	2011	\$586.17	\$1,230.83		\$1,295.35	\$1,706.83

Ancillary Products:

<i>Product Name</i>		<i>Single</i>	<i>Parent and Child(ren)</i>		<i>Husband and Wife</i>	<i>Family</i>
Blue Cross Dental Plan 100/80/50/50		\$33.47	\$82.13		\$82.13	\$82.13
Vision Plan 4		\$3.22	\$8.97		\$8.97	\$8.97

Ancillary Products Subject to Computation:

\$10,000 Group Term Life and Accidental Death and Dismemberment Insurance (\$4.50 per month)
 Long Term Disability, 60% of total salary and housing, 6 month waiting period.

Option B: Blue Cross PPO HSA 2000 Q

This is a High Deductible Health Plan with a \$2000 individual deductible, or \$4,000 family deductible, coupled with a Health Saving Account. The power of this option is that the difference in the premium in the family coverage is enough to fully fund the HSA. If medical costs do not reach the level of the \$4,000 contribution to the HSA, that money belongs to you and continues to grow tax free.

<i>Product Name</i>		<i>Single</i>	<i>Parent and Child(ren)</i>		<i>Husband and Wife</i>	<i>Family</i>
<i>PPO HSA 2000-Q w/Rx Plan 2000-Q</i>	2010	\$393.70	\$826.70		\$870.03	\$1,146.39
	2011	\$427.80	\$898.31		\$945.40	\$1,245.69

Ancillary Products Subject to Computation:

\$10,000 Group Term Life Insurance (\$4.50 per month)
 Long Term Disability, 60% of total salary and housing, 6 month waiting period.

In order to compute the cost of the Long Term Disability premium follow the steps below.

1. Add all taxable income (salary, housing,)
2. Multiply that total by 60% to determine the maximum annual benefit
3. Example: 40,000 total salary x 60% = 24,000 max benefit /12 = 2,000 = monthly benefit
4. Multiply the total of all taxable income by .23 per hundred to determine the annual premium.
5. Example: 40,000 x .23 (400 x .23) = 92.00 /12 = 7.67 monthly premium.

II. Voluntary Coverages Based on Minister/Employee Election.

These premiums are to be paid on an after tax basis to avoid taxation of the benefits.

- A. Group Term Life and ADD Insurance in units of \$10,000 up to \$500,000 maximum. Spouse and children can also be added to this coverage.
- B. Short Term Disability with a two week waiting period and a 6 month coverage period.
- C. AFLAC plans can be pretax except for the life and short term disability.

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2011 Updated Salary Figures Needed

Dear Pastor and/or Treasurer,

In order to maintain current adequate levels of Long Term Disability Insurance, we need to have the salary package figures for 2010 for those insured in our program. Please complete the blanks below and return the form to me in preparation for your January premium notice.

Many thanks,

Larry

Name of Pastor/Staff _____

Name of Church _____

2010 Salary _____

2010 Housing Allowance _____

Total _____

The premium rate for Long Term Disability is \$0.23 per hundred/year of the total.

The benefit is 60% of the above total after six months of continuous disability until age 65.